From: Local Health Personnel
Sent: Monday, February 08, 2010 4:00 PM
To: Coordinators
Subject: retirement

Attached are instructions on how to handle retirement actions.

Keep in mind that all termination actions need to always include remarks such as the retirement instructions which would include leave balances and last day worked and paid etc.

If you have questions please let us know

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Personnel Coordinators:

We are still experiencing issues with personnel actions entered to the bridge system with retirement "effective dates" as the 1st day of the month, when the employee did not actually work on the 1st of the month.

According to Kentucky Retirement system (KRS) 61.590 (5)(a) the effective date of normal retirement shall be the first month <u>following</u> the month in which employment was terminated from a regular full-time position.   http://www.lrc.state.ky.us/KRS/061-00/590.PDF

Example A:

An employee requests to retire at the end of December.   The LHD however is closed for the holidays on 12/31 and 1/1.   The retirement date must be clearly discussed with the employee based on the following:

1. The employee works on 12/30 and request to be paid for 12/31 and is not paid for 1/1.
    - The employee "termination form filed with KRS" reflects last pay for 12/31 and therefore would be eligible to retire beginning effective 1/1.
    - The bridge action should appear with a retirement action "effective date" on 12/31:
      Action= 7,   Effective Date= 1231YY

      Remarks= Balances S- (hours), A-(hrs) LSP ($ lump sum), c-(hrs) , WOS- (wks of service)

              LDW 12/30, H pay- 12/31

2. The same employee works on 12/30 and requests to be paid for 12/30 and 1/1 for the holidays.
    - The employee "termination form filed with KRS" reflects pay for 1/1; therefore, the earliest date KRS will recognize the employee eligible for retirement benefits will be 2/1/YY.
    - In this instance you will use 1/1 as the retirement effective date from the LHD; however this is for record keeping purposes only to prevent errors if the employee requests to return to the LHD as an eligible employee after retirement. The P-2 action is not an indication that the employee is eligible to receive retirement benefits.
    - The bridge action should appear with a retirement action "effective date" on 1/1:
      Action= 7 (Retirement),   Effective Date= 0101YY

      Remarks= Balances S- (hours), A-(hrs) LSP ($ lump sum), c-(hrs) , WOS- (wks of service)

              LDW (last day worked), 12/30, H (holiday) pay- 12/31 + 1/1

Example B:

An employee request to retire effective November 1, the last working day for October is 10/30; the last calendar day for October is Saturday 10/31.

1. The employee works on 10/26 and requests to use annual leave for 10/27, 10/28, 10/29 and 10/30.
    - The employee "termination form filed with KRS" reflects 10/30 as the last "official" day with the LHD for the month due to the paid leave and therefore would be eligible to retire beginning effective 11/1.
    - The bridge action should appear with a retirement action "effective date" on 10/30.
      Action= 7, Effective Date= 1030YY

      Remarks= Balances S- (hours), A-(hrs) LSP ($ lump sum), c-(hrs) , WOS- (wks of service)

      LDW 10/26, A (Annual) pay- 10/27 to 10/30